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FILED 07-12-2019 **Clerk of Circuit Court Brown County, WI** 2019CV000903 Honorable John P. Zakowski **Branch 6**

STATE OF WISCONSIN

CIRCUIT COURT

BROWN COUNTY

VHC, INC. 3090 Holmgren Way Green Bay, WI 54304

Case No. 19-CV-

Case Code: 30304 and 30301

Plaintiff,

VS.

TISSUE TECHNOLOGY, LLC 2221 S. Webster Avenue, Suite 251 Green Bay, WI 54301

Defendants.

SUMMONS

THE STATE OF WISCONSIN, to the above-named Defendant:

You are hereby notified that the Plaintiffs named above have filed a lawsuit or other legal action against you. The Complaint, which is also served upon you, states the nature and basis of the legal action.

Within twenty (20) days of receiving this Summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the Complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is Brown County Circuit Court, 100 S. Jefferson St., PO Box 23600, Green Bay, Wisconsin 54305-3600 and to Janssen Law LLC, Plaintiff's attorneys, whose address is 3000 Riverside Drive, Suite 210, Wisconsin 54301. You may have an attorney help or represent you.

If you do not provide a proper answer within twenty (20) days, the court may grant judgment against you for the award of money or other legal action requested in the Complaint, and you may lose your right to object to anything that is or may be incorrect in the Complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.

DATED this 12 day of July, 2014.

JANSSEN LAW LLC

Bv·

Robert J. Janssen, Attorney for Plaintiff State Bar No. 1000525

POST OFFICE ADDRESS:

3000 Riverside Drive, Suite 210 Green Bay, WI 54301 920-425-4844

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COMPLAINT

Plaintiff VHC, Inc., by its attorneys, named below, as and for its Complaint, alleges as follows:

THE PARTIES

- 1. Plaintiff **VHC**, **INC**. ("VHC") is a Wisconsin corporation with a business address of 3090 Holmgren Way, Green Bay, Wisconsin 54304.
- 2. Defendant **TISSUE TECHNOLOGY**, **LLC** ("Tissue Tech") is a domestic limited liability company with a last known business address of 2303 Lost Dauphin Road, De Pere, Wisconsin. Upon information and belief, Tissue Tech's registered agent is GlenArbor Partners, Inc., 2221 S. Webster Avenue, Suite 251, Green Bay, WI 54301.

ALLEGATIONS COMMON TO ALL CLAIMS FOR RELIEF

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- 3. Nicolet National Bank ("Nicolet") extended a loan to Tissue Tech on August 14, 2009 in the original principal amount of \$4,600,000.00, as evidenced by a Promissory Note executed by Tissue Tech identified as Note No. 70033282 (the "Note").
- 4. VHC guaranteed payment of the Note due, in part, to the existence of certain collateral pledged by Tissue Tech to Nicolet to secure the Note; specifically an Assignment of Sales and Marketing Agreement executed by Tissue Tech in favor of Nicolet on April 25, 2007 (the "Assignment").
- 5. Nicolet renewed the Note on August 14, 2014 for the then-outstanding principal amount of \$3,479,553.19, as evidenced by Note No. 70033282(R) (the "Renewal Note").
 - 6. VHC continued to guaranty payment of the Renewal Note.
- 7. On December 18, 2018 VHC purchased the Renewal Note from Nicolet via a Sale and Assignment Agreement (the "Note Sale Agreement").
- 8. In exchange for the Note Sale Agreement, VHC paid consideration to Nicolet in the amount of Two Million One Hundred Nine Thousand Six Hundred Eighty Dollars (\$2,109,680.00), representing par value of the Renewal Note at the time of the Note Sale Agreement.
 - 9. Payment of the Renewal Note continues to be secured, in part, by the Assignment.
- 10. Payment of the Renewal Note is also secured, in part, by several security agreements (collectively, the "Security Agreements") in which Tissue Tech pledged all its contract rights, accounts, and other personal property (referred to collectively with the account receivable pledged via the Assignment as the "Personal Property") pursuant to Article 9 of the Uniform Commercial Code (codified at Wis. Chapter 409).

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- 11. The Assignment and the Security Agreement continue to secure payment of the Renewal Note by virtue of the Note Sale Agreement.
- 12. VHC perfected its security interest in the Personal Property by filing a UCC-3 Amendments with the Wisconsin Department of Financial Institutions.
- 13. Tissue Tech has failed to make any payments to VHC on the Renewal Note, and is now in payment default.
- 14. There remains due and owing to VHC on the Renewal Note the principal amount of \$2,109,680.00 plus interest accrued from December 19, 2018 to the present.
- 15. Pursuant to the terms of the Renewal Note, VHC is also entitled to collect its attorney fees and other expense incurred in the collection of the Renewal Note.

CLAIM FOR RELIEF – I BREACH OF CONTRACT

- 16. VHC alleges paragraphs 1 - 15 as if fully set forth herein.
- 17. Under the terms of the Renewal Note, Tissue Tech promised to make timely payments on the Renewal Note.
 - 18. Tissue Tech has failed to make timely payments on the Renewal Note.
 - 19. Tissue Tech is in breach of its contractual obligations under the Renewal Note.

CLAIM FOR RELIEF - I REPLEVIN OF PERSONAL PROPERTY

- 20. VHC realleges paragraphs 1 - 19 as if fully set forth herein.
- 21. Pursuant to the Security Agreements, VHC is entitled to the immediate possession of the Personal Property upon default by Tissue Tech.
- 22. No proceedings have been had at law or otherwise for the recovery of the sums due under the Renewal Note and Security Agreements.

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- 23. VHC is still the lawful owner and holder of the Renewal Note and Security Agreements which have not been further sold or assigned.
- 24. Continued possession and use of the Personal Property by Tissue Tech will diminish the value of the Personal Property and substantially impair the value of VHC's security interest in the Personal Property.

WHEREFORE, VHC prays for judgment as follows:

- A. For a finding that Tissue Tech is indebted to VHC for the outstanding amount of the Renewal Note;
- B. For a judgment of replevin granting VHC the right to recover the Personal
 Property from Tissue Tech, and to dispose of the Personal Property pursuant to Wis. Stat.
 Chapter 409;
- C. For an order by this Court retaining jurisdiction to determine the commercially reasonableness of VHC's disposition of the Personal Property, pursuant to Wis. Stat. 409.627(3);
 - D. For award of VHC costs, expenses and actual attorneys' fees; and
 - E. For such other and further relief as the Court deems just and equitable.

Dated this /2 day of July, 2019.

JANSSEN LAW LLC

Robert J. Janssen, Attorney for Plaintiff

State Bar No. 1000525

POST OFFICE ADDRESS:

3000 Riverside Drive, Suite 210 Green Bay, WI 54301 (920) 425-4844